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SUBJECT: ZAGREB WEEKLY ACTIVITY REPORT - NOVEMBER 14, 2008

REF: ZAGREB 778

11. (SBU) ICTY PROSECUTOR EXPRESSES CONTINUED DISAPPOINTMENT
WITH GOC DOCUMENT SEARCH:

ICTY Chief Prosecutor Serge Brammertz visited Zagreb on Nov. 10-11 at the beginning of a tour of regional capitals in advance of the next periodic report from the ICTY to the UN Security Council on December 12. In his briefing to the local diplomatic corps, Brammertz noted that the GoC had been required by the Court to provide either a whole series of documents including military logs from 1995's Operation Storm, or convincing results from a comprehensive investigation in to how the documents had disappeared. Brammertz said the GoC had made a voluminous submission on October 20 that included a limited number of relevant documents, such as some police logs, but none of the missing military documents. While the full submission was still being translated, Brammertz said his staff was "disappointed" with the quality of the Croatian investigation into the allegedly missing documents. Brammertz said he believed the GoC understood that the Court was unlikely to be satisfied, and that the GoC was considering undertaking further efforts.

While ICTY was willing to give the GoC more time, Brammertz also noted that the Prosecution's case against Ante Gotovina and other officers involved in Operation Storm is scheduled to conclude in the first half of 2009. (RHoltzapple)

12. (U) FORMER UN SRSG KLEIN VISITS CROATIA:

Jacques Paul Klein, a retired FSO and USAF Reserve Major General, who served as chief of the UN Transitional Administration for Eastern Slavonia (UNTAES) in 1996-1998, was invited to Croatia on November 10 to 15 for a conference in Vukovar to discuss how Eastern Slavonia had been peacefully reintegrated into Croatia at the end of conflict. Klein met with PM Sanader, FM Jandrokovic and was given a state decoration by President Mesic. In those meetings, as well as at the conference, Croatian officials highly praised the work of the UN mission at restoring Croatian sovereignty over the territory without armed conflict, and in a manner that permitted both the remaining Serb and returned Croatian populace to co-exist. Ten years after the return of the Croatian population and Croatian authorities, conditions in the area are secure and a sizeable Serb population remains and is politically active. While the Consul General from the Serbian Consulate in Vukovar attended, the fact that no local Serbs spoke at the conference symbolized the continued need for greater ethnic reconciliation in the region. (RHoltzapple)

13. (SBU) RHETORICAL EXCHANGES ABOUT RELATIONS BETWEEN SERBIA
AND CROATIA CONTINUE:

Despite the return of the Serbian Ambassador to Zagreb (reftel), President Mesic stated in a regional conference on November 8 that bilateral relations between Serbia and

Croatia were still rather stagnant. Serbian FM Jeremic responded via the media that Zagreb was responsible for the current state of the relations, and repeated accusations that Croatia had ethnically cleansed its Serbian population. Jeremic also listed the GoC's decision to recognize Kosovo and Croatia's case against Serbia at the International Court of Justice (ICJ) as further obstacles to good relations. The Croatian Foreign Ministry on November 10 rejected Jeremic's comments about ethnic cleansing, and argued that Jeremic's comments demonstrated that Belgrade had not yet come to terms with the role it played in the breakup of Yugoslavia. The MFA's statement concluded by noting that Croatia would continue to support Serbia along its European path. On November 13 the back and forth continued when Jeremic responded to the reactions from Zagreb by repeating his claim that Croatia ethnically cleansed 250,000 Serbs in the 1990s. On a more positive note, Mesic and Serbian President Tadic agreed in meeting in Warsaw earlier in the week that a new dimension needed to be introduced in the bilateral relations to change the current stalemate. (PD'Amico)

14. (SBU) WHILE PRELIMINARY ICJ RULING LOOMS.... PM Sanader, in a November 11 meeting with the Ambassador and former UN Transitional Administrator for Eastern Slavonija Jacques Klein, said that the GoC wanted to improve ties with Belgrade. Sanader noted, however, that the upcoming ICJ ruling regarding Croatia's genocide case against Serbia might temporarily increase bilateral tensions. (Note: The ICJ is scheduled to rule on Serbia's preliminary objections to the jurisdiction and admissibility of Croatia's case on November 18, which happens to be the 17th anniversary of the fall of Vukovar. End Note.) (PD'Amico/ZTomic)

ZAGREB 00000792 002 OF 002

15. (U) GOVERNMENT RELEASES LONG AWAITED DRAFT ENERGY STRATEGY: Deputy Prime Minister Polancec announced the details of Croatia's proposed national energy strategy on November 10. The document foresees the need for 10 billion euros of investment up to 2020 in a combination of coal and gas fired power plants, renewables, energy transportation projects, and nuclear energy. The strategy presented three scenarios for power generation, offering different combinations of coal, gas, and nuclear. All scenarios also included the goal to achieve 20 percent renewables by 2020. DPM Polancec indicated the preferred scenario is one which includes one 600 MW coal fired power plant and one 1,000 MW nuclear power plant (although a gathering of the ruling HDZ party recently favored a non-nuclear scenario). Declining gas production will lead to increased reliance on foreign sources, Polancec said. He called for the liquefied natural gas terminal project on the island of Krk to be accelerated in order to ensure a diversity of gas supply away from Russian sources. He also pointed to large potential for development of renewable energy such as wind, biomass, geothermal, and others. The strategy is now open for a month-long public debate after which the final strategy will be adopted and an action plan developed. (DWestfall)

16. (U) PM SANADER PROPOSES BALANCING THE BUDGET AS DEBATE SET TO BEGIN NOVEMBER 19: At a November 12 meeting of government ministers and about 250 representatives from labor unions, employers associations, local governments, and state-owned companies, Prime Minister Sanader said the GoC would aim for a balanced budget for 2009. He called for a consensus on measures to help the government weather the global financial crisis, including a one-year salary freeze for government employees and union workers. Sanader said infrastructure projects already underway would continue, as will healthcare reform. The proposal received initial approval from employers, but the

unions will respond only after further internal discussions. The Ministry of Finance has not yet released the proposed 2009 budget to the public. Discussion on the budget is set to begin November 19, but anticipating a difficult debate, Speaker of Parliament Luka Bebic told the press the session could be extended to December 15th or beyond. (SLitke)

17. (U) OREGON AND CROATIAN SUPREME COURT JUSTICES PARTICIPATE IN MOCK TRIAL COMPETITION:

Over 100 students from six Croatian secondary schools participated in a mock trial competition held at the Zagreb County Court, trying identical cases under both the Croatian and U.S. systems of jurisprudence. Presiding over the trials were the Honorable Paul De Muniz, the Chief Justice of the Oregon Supreme Court, and Marin Mrcela and Juro Sessa, both members of Croatia's Supreme Court. The mock trials were conducted by the Classroom Law Project, an Oregon NGO which receives funding from the Department of Education under a Civitas grant. The U.S. Embassy has supported the activities of the Classroom Law Project since 1999. Assistant PAO participated in the mock trials as a juror. The student's demonstrated impressive English skills and knowledge of both U.S. and Croatian trial procedures. In his closing remarks to the wider audience, Chief Justice De Ruiz linked the recent U.S. elections to the rule of law, discussing the importance of the peaceful transference of power and of the equality of opportunity which can only exist in a just society. (KWetzel)
Bradtke